

MINUTES OF THE ASSESSING
STANDARDS BOARD

Approved as Written

DATE: October 18, 2013

TIME: 9:30 a.m.

LOCATION: Department of Revenue, Training Room, 109 Pleasant Street Concord

BOARD MEMBERS:

Senator David Pierce
Representative Priscilla Lockwood
Len Gerzon, Public Member, Chairman
Robert J. Gagne, NHAAO, City, Vice-Chairman
Joseph Lessard, NHAAO, Towns >3,000
Marti Noel, NHAAO ~ *Absent*
Betsey Patten, Public Member
Vacant, Municipal Official, Towns >3,000

Senator Bette Lasky ~ *Absent*
Representative Peter Schmidt
Stephan Hamilton, NHDRA
Eric Stohl, Municipal Official, Towns <3,000
Todd Haywood, NHAAO, Towns <3,000
Thomas Thomson, Public Member
Vacant, Municipal Official, City ~ *Absent*

MEMBERS of the PUBLIC:

Linda Kennedy, NHDRA
Jim Commerford, Assessor, Meredith

David Cornell, NHDRA
Mary Pinkham-Langer, NHDRA

Chairman Gerzon convened the meeting at 9:35 a.m.

Introductions.

Minutes

Mr. Stohl *motioned to accept the minutes of September 12, 2013, as written*. Ms. Patten *seconded the motion*. Chairman Gerzon called the motion to accept the minutes of September 12, 2013, as written. Chairman Gerzon and Senator Pierce abstained. *All Others Approved*.

Manual Update

Chairman Gerzon summarized a discussion by the subcommittee pertaining to the proposed Glossary. The intent of the glossary is to have a search tool within the document for words to be looked up on-line rather than having a full glossary in the manual. There will be minor edits made to the glossary but the idea remains that having a full glossary available allows any user the opportunity to find what they are looking for.

Mr. Gagne relayed an e-mail from Ms. Noel who inquired about the term "DRA Appraiser" used in Chapter 7 of the manual and questioned whether the term "DRA Monitor" should be used instead to maintain consistency throughout the manual. The issue being that they may not have their appraiser license or certification. Mr. Hamilton stated "Real Estate Appraiser" is the job title for the DRA staff that monitor reappraisals and conduct assessment review. The DRA Real Estate Appraiser does have to be certified by the department to conduct the assessment work that they are monitoring, such as revaluation work.

After a brief discussion, it was determined that a final DRAFT of the manual will be forwarded to the full board within the next week and posted on the DRA website, available for public view. Mr. Thomson asked that an additional meeting be scheduled so that the public has an opportunity to view and provide comment about the manual. Mr. Hamilton suggested the board schedule, at the December meeting, a time to hear comments on the manual from the public.

ASB Duties / Legislation

Chairman Gerzon stated one of the duties of the ASB is to recommend legislation regarding the property tax and asked if there were any areas that needed addressing. Mr. Stohl put forward the issue of current use reporting. He asked if the report submitted to this board by Mr. Michaud had been forwarded to the Current Use Board (CUB) and if yes, whether or not they have met since receiving the information. The information has been sent to the CUB and they have not met since receiving the information. The next CUB meeting is scheduled for Monday, October 28, 2013.

A discussion took place about when an issue should be discussed by the ASB and what part the ASB should play in the process of legislation. It was agreed that the process currently used by the board pertaining to assessing works well and any topics or proposed legislation going forward will continue to be discussed, and acted on if necessary, as they arise.

Another brief discussion took place about the Prorated Assessment for Damaged Buildings form. Mr. Hamilton indicated the form has completed its course through the department and should be on-line after a few slight revisions. Mr. Gagne stated there have been some unintended consequences of the bill; however, he agreed with Mr. Thomson to allow the form to be used for a year or two, in order to collect data, prior to suggesting any revisions. Mr. Hamilton added that it is difficult for the department to collect data from 235 taxing jurisdictions and suggested adding it to the Assessment Review process. It was also noted that the form is not required to apply for the prorated assessment as long as all of the required information is included in the request.

Equalization Subcommittee Update

Mr. Haywood, Chairman of the subcommittee, reported the subcommittee met three times since the last full board meeting; one meeting was open to the public, one work session and a meeting just prior to this full board meeting. The subcommittee discussed necessary changes to the Equalization Manual that (1) reflect changes to the equalization process and the new equalization mosaic system and (2) proposed changes to the Rev 600 rules currently being updated. It was agreed that the most important changes were to the equalization process so that they can be used for the current equalization season. In addition, the subcommittee felt it would be a good idea to review the manual annually to keep it current.

Mr. Hamilton added there are two sets of revisions that the subcommittee would like to move on. The first, the technical procedures the department goes through which have changed over the years. The second, consistent with Task Item 1A., we are looking at the department to make sure that we have consistency within the definitions, terms and descriptions of various processes that assessors generally go through. We are waiting for the rules to go through the rulemaking process before making those changes in the manual.

Proposed Legislative Change to RSA 21:J-14-g

A discussion took place about the proposed changes regarding sales chasing in RSA 21:J-14-g. After a few revisions, there was consent for Representative Lockwood to go forward as amended.

Task Items 1.B. and 1.C. – Property Record Cards

Mr. Hamilton indicated a handout was distributed of some of the property record cards, produced by six different Computer Assisted Mass Appraisal (CAMA) systems, being utilized within the State. The intent is to (1) make sure there are minimum standards for what should be contained in an assessing record card and (2) make sure information is available to taxpayers to help understand the coding or any special categorization that may be included on assessing record card. The intent is for any taxpayer to pick up a property record card for any property in the State and expect the same minimum information is included on the card and to be able to understand what the information means.

Mr. Haywood asked if the minimum specifications already exist within the Rev 600 rules. Mr. Hamilton responded as the rules are currently written they are divided so that some of the rules only apply when a reappraisal is ordered by the court or the Board of Tax and Land Appeals and other times those rules do not apply. The standards for assessment record cards are included in the rules that only apply when they are board or court ordered for a reappraisal. One change the department is bringing forward in the Rev 600 rules is to make sure that portion of the rule applies to all reappraisals. We know through practice that every community has property record cards and believe the requirement in the rule should match the practice in the field. This, however, does not mean that we are trying to implement a standard format, only that each property record card contains the minimum standard of information.

Senator Pierce asked what the financial impact to the communities would be if they had to update their current system to conform to the minimum standards if they do not already exist. Mr. Hamilton responded of the 235 taxing jurisdictions, they all have a similar set of documents for each property. The requirements of the Rev 600 rules require very basic information such as who owns the property, the mailing address and how many acres does the property contain, etc. There may be an impact in the future due to revaluation which occur within each municipality every five years, however in most cases, towns will either have had software update or have implemented new software.

Mr. Gagne indicated the handouts are printed from CAMA systems, however, some municipalities provide information on-line that looks different. Due to format limitations on the web, the content on-line is an unofficial summary of the property information and if a property owner wants an official copy of their information, provided on the property record card, they need to request a copy at the municipal office. Mr. Hamilton stated the rules do not impact the information provided on-line.

Other Business

Mr. Gerzon indicated he signed and will be sending a thank you letter to Mr. Michaud for his effort in providing information on the current use portion of assessment review.

Mr. Hamilton stated the Low-income Housing Tax Credit (LIHTC) valuation program, adopted under RSA 75:1-a, in 2009, effective in 2010, provided for an alternative method of valuing property. Included in the RSA is a reporting requirement of the department to report back to the ASB, details about how many properties were enrolled in that valuation process and the impact of that valuation. The department has determined there are about 60 communities in the State that would qualify for this assessment program and is currently in the process of collecting the information to report back to the board.

Public Forum

Wednesday, November 6, 2013, 3:15 p.m., at the Radisson Hotel, 700 Elm Street, Manchester

Next Meeting

Friday, December 13, 2013, at 9:30 a.m., at DRA

Mr. Gagne *motioned to adjourn*. Ms. Patten *seconded the motion*.

Chairman Gerzon adjourned the meeting at 11:42 a.m.

Respectfully Submitted, Stephanie Derosier
NH Department of Revenue Administration – Municipal and Property Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5955

Facsimile: (603) 230-5943

Web: www.revenue.nh.gov

E-mail: asb@dra.nh.gov

In person at 109 Pleasant Street, Concord

In writing to:

NH Department of Revenue

Assessing Standards Board

PO Box 487

Concord, NH 03302-0487